GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:89
ANSWERED ON:24.02.2003
PRIVATISATION OF AIRPORTS
ADHIR RANJAN CHOWDHURY;PUTTASWAMY GOWDA

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government have taken final decision regarding private participation in airport development;

(b) if so, by when the process is likely to be completed and if not, the reasons for delay;

(c) whether the Government are considering a proposal to develop them through joint ventures;

(d) if so, whether private companies/ corporations including Lufthansa have shown interest in this project;

(e) if so, whether the Government propose to allow foreign airlines or its subsidiaries to pick up majority stake in the project; and

(f) if not, the steps being taken in this regard?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a), (b), (c), (d), (e) & (f) :- A Statement is laid on the Table of the Sabha.

Statement in reply to parts (a), (b), (c), (d), (e) & (f) of Lok Sabha Starred Question No.89 for answer on 24.02.2003 regarding Privatization of Airports.

(a), (b), (c), (d), (e) & (f):- In January, 2000 Government of India approved restructuring of airports with private sector participation through long term leasing route as and when found suitable. The Airports Authority of India Act (Amendment) Bill, 2000 was introduced in Lok Sabha on 30.11.2000 to insert an enabling provision in the AAI Act, 1994 for this purpose. The Bill was referred to the Department Related Parliamentary Standing Committee on Transport, Tourism and Culture. The Committee tabled its report in the House on 21st November, 2002, wherein it recommended several amendments in the above Bill. A comprehensive Bill has been prepared keeping in view the recommendations of the Committee, and is being processed for obtaining necessary approvals for introduction in the Parliament.

A number of private companies/ corporations have shown interest in the restructuring of the four metro airports. The details of the transaction structure, including the issue of participation of foreign airlines, would be decided only after finalisation of the modalities for restructuring, and necessary amendment of the AAI Act, 1994.